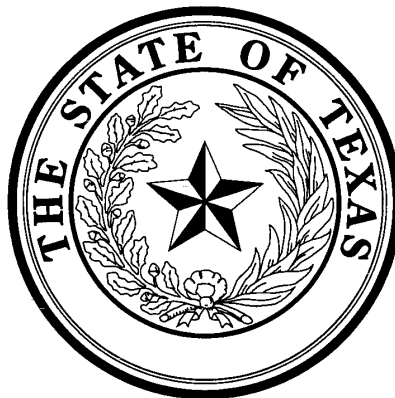


EXECUTIVE COUNCIL OF PHYSICAL THERAPY AND OCCUPATIONAL THERAPY EXAMINERS

ANNUAL FINANCIAL REPORT

For the Year Ended August 31, 2017



**John Maline
Executive Director**

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Executive Council of
Physical Therapy and Occupational Therapy Examiners

Texas Board of Physical Therapy Examiners
Texas Board of Occupational Therapy Examiners

333 Guadalupe, Suite 2-510
Austin, Texas 78701-3942
Voice 512/305-6900
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September 27, 2017

Honorable Greg Abbott, Governor
Honorable Glenn Hegar, Texas Comptroller
Ursula Parks, Director, Legislative Budget Board
Lisa Collier, First Assistant State Auditor

Ladies and Gentlemen:

We are pleased to submit the Annual Financial Report of the Executive Council of Physical Therapy and Occupational Therapy Examiners for year ended August 31, 2017, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) 34, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas Comprehensive Annual Financial Report (CAFR); therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have questions, please contact me at (512) 305-6967.

Sincerely,

A handwritten signature in black ink, appearing to read "Ralph Harper".

Ralph Harper
Senior Accountant

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**EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ENTITY

The Executive Council of Physical Therapy and Occupational Therapy Examiners is an agency of the State of Texas, and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts Reporting Requirements of State Agencies.

The Executive Council of Physical Therapy and Occupational Therapy Examiners is an independent state health regulatory agency created by the Seventy-third Legislature in 1993, and operates under the authority of Tex. Rev. Civ. Stat. Ann. Art. 4512e-1. The legislation merged the administrative functions of the Board of Physical Therapy Examiners and the Board of Occupational Therapy Examiners under the Council, while keeping the rule and decision-making authority of the two boards intact. The two boards regulate the professions of physical therapy and occupational therapy through licensing and enforcement.

Due to the significant changes related to Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying financial report to be in compliance with generally accepted accounting principles (GAAP). The financial report will be considered for audit by the State Auditor as part of the State of Texas Comprehensive Annual Financial Report; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Blended Component Units

No component units have been identified which should have been blended into an appropriate fund.

B. FUND STRUCTURE

The accompanying financial statements are presented on the basis of funds and account groups, each of which is considered a separate accounting entity.

GOVERNMENTAL FUND TYPES & GOVERNMENT-WIDE ADJUSTMENT FUND TYPES

**EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS**

General Revenue Fund

The General Revenue Fund is used to account for all financial resources of the state except those required to be accounted for in another fund.

Capital Asset Adjustment Fund Type

Capital Asset Adjustment Fund Type will be used to convert governmental fund types' capital assets from modified accrual to full accrual.

Long-Term Liabilities Adjustment Fund Type

Long-Term Liabilities Adjustment Fund Type will be used to convert governmental fund types' debt from modified accrual to full accrual.

FIDUCIARY FUND TYPES

Agency Funds

Agency funds are used to account for assets held as an agent for individuals, other governmental entities, and/or other funds. Licensing fees are collected by the council as an agent for the State. Such fees are not appropriated for the agency's use, but are deposited by the agency to the State General Revenue Fund. Agency funds are custodial in nature and do not involve measurement of results of operations.

C. BASIS OF ACCOUNTING

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types that build the fund financial statements are accounted for using the modified accrual basis of accounting. Under the modified accrual, revenues are recognized in the period in which they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year end.

The State of Texas considers receivables collected within sixty days after year end to be available and recognizes them as revenues of the current year for Fund Financial

**EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS**

Statements prepared on the modified basis of accrual. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Governmental adjustment fund types that will build the government-wide financial statements are accounted for using the full accrual method of accounting. This includes Capital assets, Accumulated depreciation, Unpaid employee compensable leave, The outstanding debt service principal on long-term liabilities, Capital leases, Long-term claims and judgments, Full accrual revenues and expenses, Pension amounts in governmental activities. The activity will be recognized in these new fund types.

B. BUDGETS AND BUDGETARY ACCOUNTING

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the Governor (the General Appropriations Act).

Unencumbered appropriations are generally subject to lapse 60 days after the end of the fiscal year for which they were appropriated.

**D. ASSETS, LIABILITIES, AND FUND BALANCES/NET ASSETS
ASSETS**

Cash and Cash Equivalents

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Restricted Assets

Restricted Assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of enterprise fund general obligation and revenue bonds and revenues set aside for statutory or contractual requirements.

Inventories and Prepaid Items

Inventories include both, merchandise on hand for sale and consumable inventories. Inventories are valued at cost, generally using the last-in, first-out method. The consumption method of accounting is used to account for inventories that appear in the proprietary fund types and the government-wide statements. The cost of these items is expensed when the items are consumed.

**EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS**

Capital Assets

Assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year should be capitalized. These assets are capitalized at cost, or if any purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets such as works of art and historical treasures are not depreciated. Road and highway infrastructure is reported on the modified basis. Assets are depreciated over the estimated useful life of the asset using the straight-line method.

All capital assets acquired by proprietary funds or trust funds are reported at cost or estimated historical cost, if actual historical cost is not available. Donated assets are reported at fair value on the acquisition date. Depreciation is charged to operations over the estimated useful life of each asset, using the straight-line method.

LIABILITIES

Accounts Payable

Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

Employees Compensable Leave

Employees Compensable Leave Balances represent the liability that became "due" upon the occurrence of relevant events such as resignations, retirements, and used of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net assets.

FUND BALANCES/NET POSITION

The difference between fund assets and liabilities is "Net Assets" on the government-wide, proprietary and fiduciary fund statements, and the "Fund Balance" is the difference between fund assets and liabilities on the governmental fund statements.

Reservations of Fund Balance

Fund balances for governmental funds are classified as either reserved or unreserved in the fund financial statements. Reservations are legally restricted to a specific future use or not available for expenditures.

Reserved for Encumbrances

**EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS**

This represents commitments of the value of contracts awarded or assets ordered prior to year-end but not received as of that date. Encumbrances are not included with expenditures or liabilities. They represent current resources designated for specific expenditures in subsequent operating periods.

Reserved for Consumable Inventories

This represents the amount of supplies, postage and prepaids held to be used in the next fiscal year.

Unreserved/Undesignated

Other-represents the unappropriated balance at year-end.

Invested in Capital Assets, Net of Related Debt

Invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bond, notes and other debt that are attributed to the acquisition, construction, or improvement of those assets.

Restricted Net Assets

Restricted Net Assets result when constraints place on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Assets

Unrestricted net assets consist of net assets, which do not meet the definition of the two preceding categories. Unrestricted net assets often have constraints on resources, which are imposed by management, but can be removed or modified.

E. INTERFUND TRANSACTIONS AND BALANCES

The agency has the following types of transactions among funds:

- 1) Transfers: Legally required transfers that are reported when incurred as "Transfers In" by the recipient fund and as "Transfers Out" by the disbursing fund.
- 2) Reimbursements: Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursement of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.
- 3) Interfund receivables and payables: Interfund loans are reported as interfund receivables and payables. If repayment is due during the current year or soon thereafter it is classified as "Current", repayment for two (or more) years is classified as "Non-Current".

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EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS

- 4) Interfund Sales and Purchases: Charges or collections for services rendered by one fund to another that are recorded as revenues of the recipient fund and expenditures or expenses of the disbursing fund. The composition of the agency's Interfund receivables and payables at August 31, 2017, if any, is presented in Note 12.

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EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS {533}
NOTES TO THE FINANCIAL STATEMENTS

NOTE 2: CAPITAL ASSETS

A summary of changes in Capital Assets for the year ended August 31, 2017:

	Balance <u>9/1/16</u>	<u>Adjustment</u>	<u>Addition</u>	<u>Deletions</u>	Balance <u>8/31/17</u>
Governmental Activities:					
Depreciable Assets					
Furniture and Equipment	<u>\$ 44,769.01</u>	<u> </u>	<u> </u>	<u>(\$22,347.39)</u>	<u>\$22,421.62</u>
Total depreciable assets	\$ 44,769.01			(\$22,347.39)	\$22,421.62
Less Accum Deprec for:					
Furniture and Equipment	<u>\$(43,749.11)</u>	<u> </u>	<u>\$(1,019.90)</u>	<u>\$22,347.39</u>	<u>(\$22,421.62)</u>
Total Accum Deprec	<u>\$(43,749.11)</u>		<u>\$(1,019.90)</u>	<u>\$22,347.39</u>	
(\$22,421.62)					
 TOTAL	 <u>\$ 1,019.90</u>	 <u> </u>	 <u>\$(1,019.90)</u>	 <u>\$0.00</u>	 <u>\$0.00</u>

NOTE 3: DEPOSITS, INVESTMENTS, & REPURCHASE AGREEMENTS

Not applicable

NOTE 4: SHORT-TERM LIABILITIES

Not applicable

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EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS {533}
NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: LONG-TERM LIABILITIES

Notes and Loans Payable

The agency did not have any notes or loans payable as of August 31, 2017.

Changes in Long-Term Liabilities

During the year ended August 31, 2017, the following changes occurred in liabilities.

Governmental Activities:	<u>9/1/16</u>	<u>Additions</u>	<u>Deductions</u>	<u>8/31/17</u>	<u>Within One Yr</u>
Compensable Leave	<u>\$127,376.97</u>	<u>\$107,415.03</u>	<u>\$ 132,071.54</u>	<u>\$102,720.46</u>	<u>\$52,443.86</u>
TOTAL	<u>\$127,376.97</u>	<u>\$107,415.03</u>	<u>\$ 132,071.54</u>	<u>\$102,720.46</u>	<u>\$52,443.86</u>

Employees' Compensable Leave

A state employee is entitled to be paid for all unused vacation time accrued, in the event of the employee's resignation, dismissal, or separation from State employment, provided the employee has had continuous employment with the State for six months. Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the Statement of Net Assets. An expense and liability for proprietary funds are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

NOTE 6: BOND INDEBTEDNESS

Not applicable

NOTE 7: CAPITAL LEASES

Not applicable

NOTE 8: OPERATING LEASE OBLIGATIONS

Not applicable

**EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS**

NOTE 9: RETIREMENT PLANS {ERS ONLY}

The State has joint contributory retirement plans for substantially all its employees. The agency participates in the plans administered by the Employees Retirement System of Texas. Future pension costs are the liabilities of the Retirement System. The System does not account for each State agency separately. Annual financial reports prepared by the System include audited financial statements and actuarial assumptions and conclusions.

NOTE 10: DEFERRED COMPENSATION {ERS ONLY}

State employees may elect to defer a portion of their earnings for income tax and investment purposes pursuant to authority granted in the TEX. GOV'T. CODE ANN. §609.001. Nine deferred compensation plans are available for employees to choose from. Both plans are administered by the Employees Retirement System.

NOTE 11: POST EMPLOYMENT HEALTH CARE & LIFE INSURANCE BENEFITS

Not applicable

NOTE 12: INTERFUND ACTIVITY & BALANCES

As explained in Note 1 on "Interfund Activities & Balances", there are numerous transactions between funds and agencies. At year-end amounts to be received or paid are reported as:

- interfund receivables or interfund payables (Note 12 presentation required)
- due from other agencies or due to other agencies (Note 12 presentation optional)
- due from other funds or due to other funds (Note 12 presentation optional)
- transfers in or transfers out (Note 12 optional)
- legislative transfers in or legislative transfers out (Note 12 presentation required)

	Legislative Transfer Out
Agency 364, D23, Fund 0001	<u>\$31,300.00</u>
Total Legislative Transfers	\$31,300.00

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EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 13: CONTINUANCE SUBJECT TO REVIEW

Under the Texas Sunset Act, the Agency will be abolished effective September 1, 2029, unless continued in existence by the State Legislature as provided by the Act. If abolished, the Agency may continue until September 1, 2030 to close out its operations.

EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 14: ADJUSTMENTS TO FUND BALANCES & NET ASSETS

Not applicable

NOTE 15: CONTINGENT LIABILITIES

Not applicable

NOTE 16: SUBSEQUENT EVENTS

Not applicable

NOTE 17: RISK MANAGEMENT

Not applicable

NOTE 18: MANAGEMENT DISCUSSION & ANALYSIS

Not applicable

NOTE 19: THE FINANCIAL REPORTING ENTITY

Not applicable

NOTE 20: STEWARDSHIP, COMPLIANCE & ACCOUNTABILITY

Not applicable

NOTE 21: NO LONGER APPLICABLE TO AFR REPORTING REQUIREMENTS

NOTE 22: DONOR RESTRICTED ENDOWMENTS

Not applicable

NOTE 23: EXTRAORDINARY & SPECIAL ITEMS

Not applicable

EXECUTIVE COUNCIL OF PHYSICAL THERAPY & OCCUPATIONAL THERAPY EXAMINERS (533)
NOTES TO THE FINANCIAL STATEMENTS

NOTE 24: DISAGGREGATION OF RECEIVABLES & PAYABLE BALANCES

Not applicable

NOTE 25: TERMINATION BENEFITS

Not applicable

NOTE 26: SEGMENT INFORMATION

Not applicable

NOTE 27: SERVICE CONCESSION ARRANGEMENTS

Not applicable

**NOTE 28: DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED
INFLOWS OF RESOURCES**

Not applicable

NOTE 29: TROUBLED DEBT RESTRUCTURING

Not applicable

NOTE 30: NON-EXCHANGE FINANCIAL GUARANTEES

Not applicable

USAS and Interagency Activity Certification Form – State Agencies

Agency No. 533

Agency Name Executive Council of Physical Therapy & Occupational Therapy Examiners

All agencies are required to **sign** and **submit this form** to the Comptroller of Public Accounts, Financial Reporting section on or before **Nov. 20, 2017**.

This form is required for all agencies regardless of whether they are a simplified reporting or a full reporting agency. The interagency transactions are extracted from USAS for **all agencies**. Please check the items that are applicable for each type of transaction.

Agencies are required to ensure and certify that their financial data correctly reflects their financial position as recorded in USAS and, if applicable, any internal accounting system, as of Aug. 31, 20CY. For more information regarding the required levels of USAS reconciliation, see the **Required Year-End Review and/or Reconciliation of Financial Data and Balances in USAS**.

Please complete this interactive form, print it out, sign and date the last page and submit to your financial reporting analyst.

I. USAS Reconciliation

Check the appropriate statement, either section 1 or 2:

- 1 ☒ I certify that for the above agency, the fiscal 2017 financial data contained in the Uniform Statewide Accounting System (USAS) and our internal accounting system, if applicable, were adjusted and the balances accurately reflect the agency's fund financial and/or government-wide financial position.
- I also certify that our USAS balances conform to the following:
- ☒ System clearing GL 9999 and basis conversion system clearing GL 9992 accounts equal zero at the D23 fund level.
 - ☒ All balance sheet line items reconcile at the GL account level.
 - ☒ Fund balance/net position is allocated to the respective GL accounts (2XXX series) and agree with the related GL accounts.
 - ☒ All operating statement items reconcile to the GAAP source/object level. The correct comptroller object codes were used to ensure accurate D08 government-wide roll-ups.
 - ☒ D23 funds that roll-up to fund type 09 (GAAP agency funds) have operating statement activity that nets to zero at the GAAP source/object level in USAS.
 - ☒ Legislative appropriations asset balance (GL 9000) agrees with the balance as calculated on the GR reconciliation.
 - ☒ Legislative appropriations revenues agree with the balances as calculated on the GR reconciliation.
 - ☒ Ending fund balance/net position is the same on the operating statement and the balance sheet.
 - ☒ There are not any "Back Out NA" on the operating statement.
 - ☒ The USAS IT file is cleared of all AFR USAS batches.
 - ☐ Pension liability is recorded in the agency's internal system and not in USAS: ☐ Yes ☒ Not Applicable

—OR—

- 2 ☐ This reconciliation was not completed; therefore, I understand the agency is not in compliance with the Comptroller's reporting requirements and may be referred to the State Auditor's Office.

II. Interagency Balances

Check the appropriate statement, either section 1 or 2:

- 1 ☒ I certify that for the above agency, the fiscal 2017 interagency and interfund balances were coordinated and are posted accurately in USAS.

The DAFR8910 Interfund/Interagency Activity or the FMQuery-SIRS Interagency/Interfund report was run and the following items were verified. From the drop down menu, select "Yes," "No" or "N/A" as appropriate.

	Due From/ Due To	Federal Pass- Throughs	State Pass- Throughs	Transfers
Interagency item amount is posted accurately in USAS	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>	N/A <input type="checkbox"/>	Yes <input type="checkbox"/>
All "NP" items were eliminated ("NP" items occur if the agency general ledger [AGL] information is blank)	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>	N/A <input type="checkbox"/>	N/A <input type="checkbox"/>
AGL information is correct (the AGL consists of the opposite agency number, D23 fund and 0)	Yes <input type="checkbox"/>	N/A <input type="checkbox"/>	N/A <input type="checkbox"/>	N/A <input type="checkbox"/>
Federal grant pass-throughs match what is reported on the Schedule of Expenditures of Federal Awards		N/A <input type="checkbox"/>		
State grant pass-throughs match what is reported on the Schedule of State Grant Pass-Throughs			N/A <input type="checkbox"/>	

—OR—

- 2 ☐ I certify that for fiscal 2017, the above agency does not have any interagency activity reflected on the AFR.

III. Required Signature

Sign, date and submit the completed form to the Comptroller of Public Accounts, Financial Reporting section of the Fiscal Management Division by either:

- Scanning the document (with original signatures) and sending the scan as an attachment in an email sent to:

frs@cpa.texas.gov

—OR—

- Mailing (or delivering) the original signed form to:

111 E. 17th Street, LBJ Building, Room 901, Attn. FRS, Austin, TX 78774-1440


Signature

9-28-2017
Date

Ralph Harper

Printed Name

Senior Accountant, 512-305-6967, ralph@ptot.texas.gov

Title, Phone Number and Email Address

Ralph Harper, 512-305-6967, ralph@ptot.texas.gov

AFR Contact Person, Phone Number and Email Address

Ralph Harper, 512-305-6967, ralph@ptot.texas.gov

USAS Contact Person, Phone Number and Email Address

N/A

Federal Contact Person, Phone Number and Email Address

GR Reconciliation

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
1	GR Internet Project - FY 2017													
2	Agency 533 - Executive Council of Physical and Occupational Therapy Examin	Line	Direct	OASI	Retirement	ORP	Insurance	GIP	BRP	Salary/				
3	Fund Type 01	Number	Strategy	Appn 91142	Appn 90327, 91327, 94327	Appn 97646	Appn 98327, 99327	Appn 95002	Appn 23102	Longevity	Other	Source	Adjustments	Amount as
4	Calculation 1									Increase				Adjusted
5	Legislative Appropriations (PY Ending Asset Balance)	100100	145,289.08	6,479.53	8,326.88		12,946.35					173,041.84		173,041.84
6	Committed Legislative Appropriation Revenue	100300	1,178,276.00									1,178,276.00		1,178,276.00
7	Riders Increasing Budget	100400										0.00		0.00
8	Riders Decreasing Budget	100500										0.00		0.00
9	Total Original Appropriation Revenue		1,178,276.00								0.00	1,178,276.00		1,178,276.00
10														
11	Additional Legislative Appn Revenue:													
12	Payroll Related Revenue:													
13	OASI Appropriation	200100		77,516.24								77,516.24		77,516.24
14	Retirement Appropriation	200200			95,641.86							95,641.86		95,641.86
15	ORP Appropriation	200300										0.00		0.00
16	Insurance Appropriation	200400					146,788.63					146,788.63		146,788.63
17	Group Insurance Program (GIP)	200500										0.00		0.00
18	BRP Appropriation	200600							2,426.95			2,426.95		2,426.95
19	Salary/Longevity Increase	200700								14,606.57		14,606.57		14,606.57
20	APPS 001 - (Other MOF - Fed Funds Etc)	200800										0.00		0.00
21														
22	Other Revenue Adjustments :													
23	Budget Revisions	300100										0.00		0.00
24	Unexpended Balance Forward	300200										0.00		0.00
25														
26	Payments on behalf of agency (The agency below will provide this data)													
27	Retirement Contribution Agy=ERS(327) HE=TRS(323)	400100										0.00		0.00
28	Group Insurance Contribution (HIED non self insur-ERS)	400200										0.00		0.00
29	Unemployment Contribution (TWC)	400300										0.00		0.00
30														
31														
32														
33	Total Additional Legislative Appn Revenue (lines 14 through 31)		0.00	77,516.24	95,641.86	0.00	146,788.63	0.00	2,426.95	14,606.57	0.00	336,980.25	0.00	336,980.25
34	Payroll Related Costs (sum of lines 28 to 31)	400800	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35														
36	Appropriation Legislative Transfers													
37	Higher Education Assistance Fund Distribution	500000										0.00		0.00
38	BRP transfers within the agency	500100	2,426.95									0.00		0.00
39	Salary/Longevity Increase transfers within the agency	500200	14,606.57									0.00		0.00
40	Committed Budget Transfers In	500300	29,000.00							(14,606.57)		29,000.00	(29,000.00)	0.00
41	Committed Budget Transfers Out	500400	(60,300.00)									(60,300.00)	29,000.00	(31,300.00)
42														
43	Other Line Adjustments (FRS entry only)	590000										0.00		0.00
44														
45	Committed Appropriations Lapsed	600100	(133.13)									(133.13)		(133.13)
46														
47	Net Change in Cash													
48	Appropriated Net Change in Cash (Column B through I Activity)	600200	(1,128,375.85)	(76,320.00)	(96,264.51)		(148,318.78)					(1,449,279.14)		(1,449,279.14)
49	Unappropriated Net Change in Cash (Appn 00000, 999006-8)	600300										0.00		0.00
50	EFF-Earned Federal Funds (Appn 70000)	600400										0.00		0.00
51	Other Net Change in Cash (Appn 90822-3, 94992)	600500	(1,128,375.85)	(76,320.00)	(96,264.51)	0.00	(148,318.78)	0.00	0.00	0.00	0.00	(1,449,279.14)	0.00	(1,449,279.14)
52	Total Net Change in Cash	600900												
53														
54	Computed Leg Appn for Balance Sheet (Asset Bal 8/31)		180,789.62	7,675.77	7,704.23	0.00	11,416.20	0.00	0.00	0.00	0.00	207,585.82	0.00	207,585.82

GR Reconciliation

	A	B	C	D	E	F	G	H	I	J	K	L	M	N
	GR Internet Project - FY 2017				ERS/TRS	ORP	Insurance (HE non self-insured only) Appn 98327, 99327	GIP (Self-insured HE only) Appn 95002	BRP (Agency only) Appn 23102	Salary/ Longevity Increase	Other	Calc Per Source	Adjustments	Amount as Adjusted
1	Agency 533 - Executive Council of Physical and Occupational Therapy Examin	Line Number	Direct Strategy	OASI Appn 91142	Retirement Appn 90327, 91327, 94327	Article III Only Appn 97646								
2	Fund Type 01													
3														
56														
57	Calculation II													
58	Legislative Appn Balance - at August 31	700100	180,789.62									180,789.62		180,789.62
59	OASI Payable at 8/31	700200		7,675.77								7,675.77		7,675.77
60	Retirement Payable at 8/31	700300			7,704.23							7,704.23		7,704.23
61	ORP Payable at 8/31	700700										0.00		0.00
62	Insurance Payable at 8/31	700400					11,416.20					11,416.20		11,416.20
63	Group Insurance Program (GIP) Payable at 8/31	700600										0.00		0.00
64	BRP Appropriation Adjustment	700600										0.00		0.00
65	Salary/Longevity Increase Adjustment	700600										0.00		0.00
66	Other APS 001 Adjustments	700600										0.00		0.00
67	Unappropriation Net Change in Cash (Appn 00000, 99906-9)	701000										0.00		0.00
68	Earned Fed Funds Net Change in Cash (Appn 70000)	701100										0.00		0.00
69	Other Net Changes in Cash (Appn 90822-3, 94992)	701200										0.00		0.00
70	Other Line Adjustments (FRS only)	900000										0.00		0.00
71														
72	Computed Leg Appn FYCY (Asset Bal 8/31)		180,789.62	7,675.77	7,704.23	0.00	11,416.20	0.00	0.00	0.00	0.00	207,585.82	0.00	207,585.82
73														
74	Difference between Calc I and Calc II		0.00	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
75														

UNAUDITED

ADDENDA 1

FUNCTIONS

The Executive Council of Physical Therapy and Occupational Therapy Examiners is an independent state health regulatory agency created by the Seventy-third Legislature in 1993. The legislation merged the administrative functions of the Board of Physical Therapy Examiners and the Board of Occupational Therapy Examiners under the Council, while keeping the rule and decision-making authority of the two boards intact. Among its responsibilities, the Council develops the budget and sets the fees for both boards, and has general oversight over their rulemaking. The two boards regulate their respective professions of physical therapy and occupational therapy through licensing and enforcement.

The relationship established between the Executive Council and the two boards is unique in Texas state government. The policy-making body of the Executive Council consists of a physical therapist and a public member from the PT Board, an occupational therapist and a public member from the OT Board, and a public member appointed by the Governor, who serves as the Presiding Officer. All of the council members are appointed for two-year terms (the board members are appointed to their boards for six-year terms).

The staff of the Executive Council is headed by an Executive Director, and is organized into three functional areas – administrative support, licensing, and investigations. All employees of the Council directly support or carry out the functions of one or both boards. The administrative staff supports the activities of the boards in areas that include financial administration, information services, personnel administration, and general administration. The licensing staff is composed of three sections: licensing, renewals, and facility registrations. They are responsible for ensuring quality services for the consumers of Texas by licensing only qualified physical and occupational therapists. While the process of issuing licenses is the predominate activity, approximately 40% of staff time is spent responding to inquiries about the profession. The three-person investigation staff receives and investigates all complaints against the boards' licensees and works closely with the investigation committees of the two boards and other state/federal agencies.

The two boards are members of the Health Professions Council, a confederation of representatives of all independent health regulatory agencies in Texas. The Health Professions Council was also created by the 1993 Legislature to address certain common areas of cooperation, such as administration, budgeting, board member training, and the administration of complaints. The Executive Council, as well as the other members, provides the financial support for the Health Professions Council.

UNAUDITED

ADDENDA 2

CURRENT EXECUTIVE COUNCIL AND BOARD MEMBERS

Executive Council

<u>Name</u>	<u>Term Expires February 1</u>	<u>City</u>
Arthur R. Matson, Presiding Officer	2017	Georgetown
Stephanie Johnston, O.T.R.	2017	Magnolia
Barbara Sanders, PT, PhD	2017	Austin
Philip A. Vickers (public member)	2019	Fort Worth
William N. Hale (public member)	2017	Austin

Physical Therapy Board

<u>Name</u>	<u>Term Expires January 31</u>	<u>City</u>
Harvey Aikman, P.T., Chair	2021	Mission
Robert Gary Gray, P.T.	2017	Midland
Barbara Sanders, PT, PhD, Vice Chair	2017	Austin
Daniel Reyna (public member)	2017	Waco
Philip A. Vickers (public member)	2019	Aledo
Glenda Clausell (public member)	2021	Houston
Jeffrey A. Tout, P.T.	2019	Granbury
Liesl Olson, PT,	2021	Lubbock
Vacant (public member)		

Occupational Therapy Board

<u>Name</u>	<u>Term Expires February 1</u>	<u>City</u>
Vacant (O.T.R.)		
DeLana Honaker, O.T.R., PhD	2017	Amarillo
Amanda J. Ellis (public member)	2019	Austin
Stephanie Johnston, O.T.R., Chair	2017	Magnolia
Sally Harris, COTA	2015	Houston
William N. Hale (pubic member)	2015	Austin
Jennifer B. Clark, COTA	2019	Iola
Todd M. Novosad, O.T.R., Vice Chair	2019	Bee Cave
Pamela D. Nelon (public member)	2017	Fort Worth

UNAUDITED

Executive Council Staff Members

Executive Director	John Maline
Office Manager	Randy Glines
Physical Therapy Board Coordinator	Karen Gordon
Occupational Therapy Board Coordinator	Lea Weiss
Senior Investigator	Mark Turek
Investigator	Don Meshell
Investigator	Amy Carter
Senior Accountant	Ralph Harper
Accountant Assistant	Sandy Lewis
Accounting Assistant	Diane Barton
Licensing Supervisor	Michael Briscoe
Licensing Assistant	Karissa Rodriguez
Licensing Specialist	Laverne Steen
Licensing Specialist	Priscilla Sillero
Licensing Specialist	Adriana Delgado
Renewal/Facilities Specialist	Nereida Melendez
Renewal/Facilities Specialist	Jo Ann Gerke
Renewal/Facilities Specialist	Cynthia Welch
Front Desk Receptionist	Jadira Botello

Executive Council of Physical Therapy and Occupational Therapy Examiners

